

Nebraska that those of us from Lincoln and Omaha and with our retailers here recognize the unfairness of the situation so much that we are willing at this time to support this change that is more detrimental to our businesses than to yours in rural Nebraska because it is the fair thing to do and that is something I don't think people are understanding, that there is a tremendous amount of sales that have to be in effect before you even get under this legislation and then that becomes more irrelevant in Lincoln and Omaha. There is another factor that I think hasn't been kept in mind on this whole question that is of benefit to the retailer and that is the fact that they are able to keep the sales tax that they collect for the average of about forty days before they have to turn it over to the state and if you factor that out, that is the second page of the handout, if you factor that out, forty days at perhaps a 9% return on those funds comes to about a 1% advantage to these retailers for handling the sales tax collection process because they are able to have that money. They are able to keep it for a period of time. They can invest that money or utilize it in another form if they wish for that forty days on the average. That is to their advantage and it benefits them in the form of about a 1% return. So not only do they have the 3% collection fee but they really have a 1% return on the money that they hold for the state in addition to that 3% so they are really getting about a 4% return on that collection that they have of sales tax. So I really feel that that is another example of where this reduction is not unfair in the least. It affects the larger businesses that have the scale of operation that can handle a reduction in fee and still end up being compensated fairly and when Senator Fenger talks about cowardice in support of this bill, that is exactly the opposite.

SENATOR CLARK: You have one minute left.

SENATOR WESELY: The cowardice is in those that would oppose this legislation for fear of the retailers that have contacted you. Despite the fact that the figures and information you have received, it is obvious that we are up at the top in terms of collection fees that we return, that we are obviously out of line with the rest of the states. That information is all there, yet those people that are opposing this legislation I feel are the ones that are suffering from cowardice and the ones that are supporting the legislation are the ones then with the courage because they don't have any lobbyists out there saying, by God, you know, we're with you on this. What we do is, as members of this Legislature, we represent the